

Sales Training: Instructor-Led Options for Best-in-Class Performance

With a variety of options available for training their revenue-seeking professionals, today's sales leaders need to carefully select the methodology that will most directly impact their bottom line. Ongoing Aberdeen research of over 500 companies surveyed in July and August, 2009, which was published in September 2009, provides significant insight into how Best-in-Class organizations select and deploy sales training modalities. Among these modalities, instructor-led training was the most widely utilized (70%) and also represented the modality most closely associated with sales rep quota achievement.

Research Brief

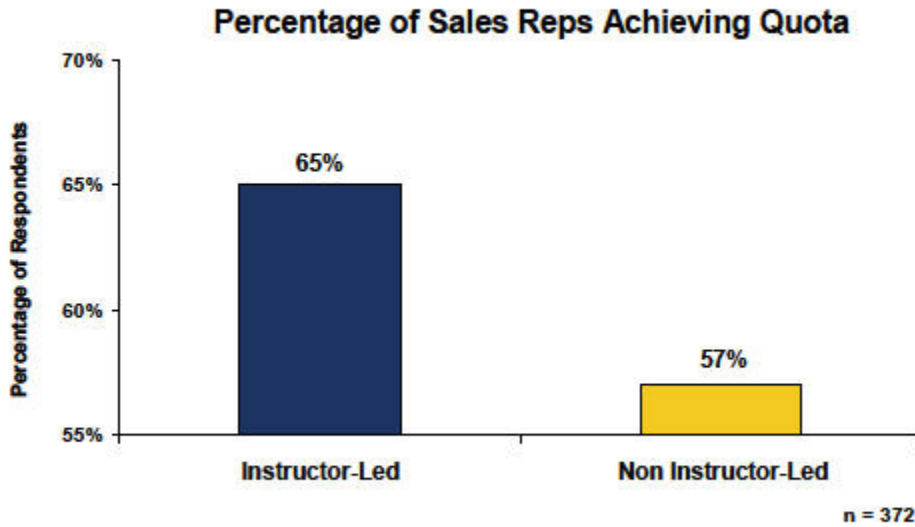
Aberdeen's Research Briefs provide a detailed exploration of a key finding from a primary research study, including key performance indicators, Best-in-Class insight, and vendor insight.

Resolving Business Pressures, Taking Action

The pressures that drive organizations to pursue sales training focus on two predominant needs: to increase revenue (70%); and to align sales activity with business objectives (40%). In response to these pressures, companies are pursuing two primary strategies: creating more meaningful sales conversations (53%); and *enhancing skills in prospecting, nurturing, and closing* (49%). Figure I provides insight into the power of personal instruction, revealing that among all companies that deploy external training solutions, those favoring instructor-led methodologies show an average 14% increase in the percentage of sales reps achieving their annual quota, compared to those that do not utilize this delivery modality.

This emphasis on rep-level, rather than organization-wide, improvements in skills, techniques and individual capabilities, speaks to the potential value of deploying instructor-led training scenarios. After all, given the potential cost of recruiting, hiring, on-boarding and training quality sales team members, it should be no surprise that core selling skills and impacting the actual conversations with prospects represent the most significant room for improvement. It also provides the opportunity to resolve both macroeconomic pressures and organizational inefficiencies.

Figure 1: Instructor-Led Sales Teams Outperform Others



Source: Aberdeen Group, August 2009

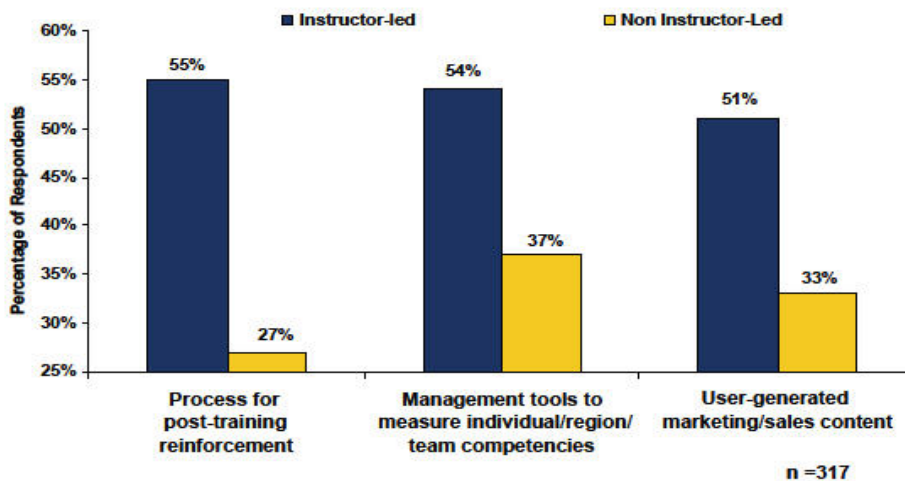
Instructor-Led Sales Training Defined and Successfully Deployed

The concept of "instructor-led" is focused on two important tenets: 1) effective sales-oriented learning remains a highly personal and interactive process; and 2) an expert-level professional communicator / coach can provide the best insight, instruction and reinforcement of best practices for sales representatives and their leaders. Figure 2 illustrates some key foundational elements that are most closely aligned with instructor-led training and provide much needed support in both the application and reinforcement of sales training.

"Now we have a more consultative selling style, understanding the customer's drivers and putting our business offerings in front of them in their terms. Our vendor has helped get that message across to our sales force; it's good for us as well as for the customer."

Matt Prendergast, EMEA Sales Readiness Leader, Oracle; trained 300 maintenance renewals representatives

Figure 2: Capabilities that Support and Reinforce Sales Training



Source: Aberdeen Group, August 2009

What sales people learn in a training program is only as good as how well they apply it in the real world. To ensure that what is taught is not left in the classroom, or forgotten all together, companies that utilize instructor-led sales training are twice as likely as those that do not to have a process in place to reinforce the methodology in the field. In addition, it is important to measure what knowledge was and was not absorbed during training and to track the skills growth of the sales people once they leave the classroom.

And to this end, companies that provide instructor-led sales training are 46% more likely to provide tools that measure the readiness or proficiencies (i.e. competencies) of the sales team.

The content of instructor-led training is equally as varied as the delivery mechanisms. This includes training modules for team member collaboration, leadership development, process improvement, "train the trainer," customer service and presentation skills. Industry- and culture-specific content is offered, as well as help for executives in the C-suite, sales leadership, professionals such as financial advisors who sell, Learning and Development (L&D) staff and, of course, quota-carrying sales reps of every flavor: inside, outside, field, hunter, farmer, closer and even channel partners. Finally, the specific selling skills offered ranges from strategic or conceptual selling, appointment-setting and securing executive-level sponsorship, to negotiating, account management and funnel / pipeline management.

Indeed, these methodologies are often complemented by diagnostics, reinforcement tools and performance support technologies - which are highly impactful and map to Best-in Class trends across the board (see sidebar), and are presented in public workshops, on-site and customized corporate environments, via online/remote access, and many blended versions of all these approaches.

Case in Point

Consider the case of The Yankee Candle Company, the largest premium candle manufacturer in the US. Dorrin Exford, Director of Learning and Development, explains that when she joined the company in 2000 Yankee Candle had no formal training department for its then-1,500 employee staff. More recently, when Michael Thorne joined in 2006 as SVP Wholesale, Yankee Candle had just embarked on a significant market-facing change: "With a shift in our business model from gift-oriented to selling through national retail accounts," Thorne says, "we had to move from reactive to solution-providing support for our customers."

Exford had deployed predictive index assessment tools since early 2002, to help Yankee Candle identify the optimal individuals within the hiring process, as well as to create more effective teams, but now the company is engaged in B2B "customer-focused selling" for the first time. As a result, the 80-person Wholesale Division - not just sales, but merchandising, finance and planning staffers-were formally trained in customer-focused selling methodologies. The predictive index and selling skills

"We're a very measured business; every day there are key metrics analyzed by the office and individual contributors in terms of gross and net revenue, deliveries and new accounts. The car business is very low margin, so customer retention is key, and we've seen double-digit improvements, moving from numbers in the 80's to the 90's, as a direct result of the training methodology."

~ Kevin Morrissey, VP Fleet Management, Enterprise Rent-a-Car

Best-in-Class Deployment of Sales Training Best Practices

- ✓ **58%** Management tools to measure individual / region / team competencies
- ✓ **55%** Process for post-training reinforcement
- ✓ **41%** Behavioral analysis / assessment

assessment tool provided useful insight to understand the sales person's natural behavior style and to be aware of the need to adjust it according to the style and needs of internal and external customers. Exford explains, "We started by using these tools to identify our star players, those who had the natural skill to sell, align behavior to build relationships easily, to analyze and ask investigative questions. We benchmarked the starting place of each participant and will re-evaluate in a year. Our star players identified will become our standard future performance."

According to Thorne, "We used actual customer case studies for our customer-focused training program, and through role-playing in class, we worked to find solutions to meet the customer's needs. It made it real, and we solved problems while learning."

The design of this activity had a two-fold result: First, the training initiative focused on leveraging an individual's natural behavior to sell, as well as providing the manager with skills to coach. Second, these same individuals could in turn use the newly acquired skills to build optimal relationships with their customers. The results? "We've absolutely seen the benefit of this," says Thorne. "After the first month, the revenue performance differential between our test group and the general staff increased by 40%."

Thorne says that Yankee Candle has been highly supportive of the new sales training program. "Our training provider's methodology allows us to understand how different people think, learn and perform. For example, a sales rep with a different personality from their manager might not connect with them easily. But if the manager understands how the rep makes decisions and receives information, this unlocks tremendous potential for better communications and, ultimately, better business results. The same exact methodology is then extended to individual customers."

In terms of maintaining the early momentum and success of the deployment, Exford stresses, "The success factor for us was being able to harness tremendous support by senior leadership. If you can't accomplish that upfront, you're wasting a lot of time, energy and resources. The same goes for reinforcement of the training; it's essential to your success and requires long-term support by internal champions."

For more information on the Predictive Index[®], Customer-Focused Selling[™] or Selling Skills Assessment Tool[™] please contact PI Worldwide[®] at info@PIworldwide.com or visit our website at: www.PIworldwide.com.

Solution Landscape

Aberdeen's findings have also revealed that among all companies that train their sales teams, 79% of the Best-in-Class utilize external providers, compared with only 62% of Laggards (*Sales Training: Tracking Best-in-Class Deployments*.) This lends significant credibility to the value of "working smarter, not harder" through continued investment in sales training despite constricted corporate budgets.

Opportunities for Instructor-led Training Providers Instructor-led sales training does represent a Best-in-Class enabler. In fact, Aberdeen's September 2008 research *Achieving Real Business Value with Learning and Development*, a study of more than 500 human resources, learning and development, and line of business managers, revealed that instructor-led training was the run-away leader when it came to most valuable learning delivery modalities (cited by

Learning Delivery Modalities That Will See the Most Growth Among the Best-in-Class Over the Next 12 Months (Top 3 Ranking):

- √ **59%** Asynchronous, self-paced e-learning (e.g. self-paced online courses)
- √ **56%** Mentoring / coaching
- √ **42%** Instructor-led, classroom-based training
- √ **42%** Synchronous, online learning (e.g. web-conferencing)
- √ **29%** Informal learning (social networking, communities of practice, Wikis, Blogs, etc.)

81 % of the Best-in-Class). However, in that same study, this same delivery modality ranked third when it came to learning modalities that will see the most growth in 2009 – see sidebar. Indeed, given the importance of balancing spend - both in hard costs such as travel expenditures and in sales time dedicated to the process- as well as the continued expanse of sales organizations (i .e. geographies covered, home-office versus corporate office), and the demonstrable need to continue the educational process after the initial sales training event, an opportunity that exists for instructor-led sales training providers to include other delivery modalities into their fold.

Upcoming Aberdeen research will examine other modalities of external sales training, and continue to explore how the Best-in-Class sales organizations from this study deploy specific capabilities (knowledge management, performance management, organizational and process-oriented) and enablers (solutions, technologies and services) that differentiate them from Industry Average and Laggard sales teams . For more information on this or other research topics, please visit www.aberdeen.com .



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